IT CENTRAL FUND

Resources Summary

($ in thousands)

Appropriations	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Capital Investment Fund	59,575	71,000	160,000	89,000
IT Investment /Expedited Passport Fees (1)	288,848	116,000	120,000	4,000
Total, IT Central Fund (2)	**348,423**	**187,000**	**280,000**	**93,000**

(1) Expedited Passport Fees used in FY 2008 include $161,929,000 prior year unobligated balances and $126,919,000 of FY 2008 collections.

(2) The Department is reviewing the current year financial plan to ensure consistency with Expedited Passport Fee receipts. The FY 2010 request seeks to balance IT capital investment between appropriated and fee resources. The Department will submit a revised FY 2009 IT Central Fund spending plan separately.

Overview

The Department's Information Technology Strategic Plan (ITSP) covers FY 2006 – FY 2010 and is aligned with the *FY 2007–2012 Department of State and USAID Strategic Plan*. The budget request for FY 2010 develops the IT vision and five strategic goals in accordance with the FY 2006-2010 ITSP. The vision is empowering diplomacy with information and tools available anytime, anywhere. The five goals supporting this vision are:

Goal 1: The Right Information: Knowledge Leadership For Diplomacy
Goal 2: Anytime/Anywhere Computing: Diplomats On The Move
Goal 3: External Partnerships: Diplomacy Through Collaboration
Goal 4: Risk Management: Mission Effectiveness and Security
Goal 5: Work Practices and Workforce: Leading Change

The FY 2010 IT investments support: greater integration and collaboration among more than 40 civilian agencies with overseas operations; improvements in efficiency and customer service through the consolidation and centralization of IT services; modernized critical administrative and financial management systems to prepare for the migration to electronic government (E-Gov) solutions and to improve key services; increased access to critical information resources for Department personnel both overseas and in Washington, D.C.; and strengthened IT security.

FY 2010 marks the final year of the current ITSP, and the Department has begun planning for its next generation technology needs. The work to be accomplished in FY 2010 will strengthen the Department's global infrastructure and provide a springboard for the next plan. One area of focus for FY 2010 involves centrally driven business continuity, disaster recovery, and consolidated data centers to protect the entire worldwide IT infrastructure. The Department is modernizing administrative applications along the same lines, migrating to web-based to provide global access and near 100 percent reliability and availability. A second area of focus is strengthening knowledge management, using the global infrastructure to promote video and other forms of collaboration and social networking as applied to diplomacy.

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Program Description and Justification of Request

Goal 1: The Right Information: Knowledge Leadership For Diplomacy

The Department will continue to leverage its investment in a robust and reliable global IT infrastructure by expanding direct support for the mission-driven processes of diplomacy, interagency foreign affairs, and foreign assistance. This entails deploying effective, user-oriented tools for discovering and analyzing useful information and establishing a Department-wide solution for content management and information publishing and dissemination. Specific initiatives to be pursued in FY 2010 include:

State Messaging and Archive Retrieval Toolset (SMART): $29,587,000
The SMART vision is to deliver a simple, secure, and user-driven system to support the conduct of diplomacy through modern messaging, dynamic archiving, and information sharing. SMART is consolidating legacy cables, memoranda, and email onto a single platform. Documents will be accessible through interest profiling and a sophisticated search engine, and the system will provide cross-enclave access to archival documents. In FY 2010, the Department will complete the deployment of SMART and begin the systematic process of shutting down the legacy messaging systems. The legacy systems cannot be terminated until the Disaster Recovery and Contingency Operations (COOP) capabilities (second SMART processing facility) have been brought online. The Department has deferred funding the second site to FY 2010 based on the ITCF shortfall for FY 2009.

Messaging and Collaboration Services: $15,176,000
This program supports the operations and maintenance of the Department's post-SMART messaging and collaboration environment. This includes the Department's Official World-wide Formal Communication System. It also includes the operations and maintenance of new capabilities added by SMART such as knowledge sharing and web-based collaborative capabilities to Department employees and Foreign Affairs agencies at posts worldwide. In FY 2010 the Department will operate SMART and the legacy systems in parallel until SMART has been fully deployed and tested and SMART COOP capabilities are online. After SMART is fully deployed, operations and maintenance costs will be normalized within the D&CP account.

Goal 2: Anytime/Anywhere Computing: Diplomats On The Move

Under Goal 2, the Department will provide an IT infrastructure that supports reliable access to needed information and systems from anywhere in the world via standard end-user devices such as laptop and desktop computers, personal digital assistants, and cell phones. Users will have access while working at home (telecommuting and telework), while on travel, and while out of the office. To accomplish this goal, the Department will continue to support its global IT infrastructure, consolidating services and operations to promote efficiency and excellent customer service. Goal 2 will build on the success of Open Net Everywhere and Blackberry programs that have begun to deliver the promise of mobile computing to diplomats. The Department is working with USAID and other agencies to capitalize on technologies that have proven successful in meeting similar functional and security requirements. Specific initiatives that support Goal 2 are summarized below.

Global IT Modernization (GITM): $79,652,000
In FY 2010, the Department will continue the Global IT Modernization (GITM) program to ensure that its global IT infrastructure remains current. Through this program, the Department centrally manages the periodic replacement and modernization of classified and unclassified desktop computers, core servers, local networking equipment, and domain controllers at the Department's domestic facilities and at all overseas posts on a planned four-year life cycle. As equipment is replaced and infrastructure is re-

engineered as appropriate, taking into account newer technology, security, and best practices. GITM allows the Department to sustain a true global infrastructure, ensuring compliance with standards, full interoperability, and cost-effective administration. To enable the Department to take the next step and provide anytime/anywhere access, the infrastructure must be sufficiently robust and reliable.

IT Consolidation: $4,000,000
An important step in the Department's evolving global infrastructure is consolidating domestic service delivery and customer support operations. Consolidation of IT services includes help desk, desktop support, and related server operations. The IT Consolidation Program is improving security, standardizing customer service, improving efficiency, and implementing industry best practices such as the IT Infrastructure Library and IT Service Management standards. Consolidation should be completed early in FY 2010.

Enterprise Software-Licensing and Maintenance: $19,200,000
The Department has entered into centralized software licensing arrangements for critical software. The goals of enterprise licensing are cost savings, standardization, and internal efficiencies in negotiating with vendors. Centralizing the licensing process ensures that all software is kept current and secure; this in turn enables delivery of effective customer service through help desk and desktop support operations that can rely on consistent, current software versions.

Enterprise Server Operations Centers (ESOCs): $9,864,000
Data Center Acquisition: $11,700,000
Over the last six years the Department has established the ESOCs to consolidate server locations and management, yielding efficiency gains in real property, IT server costs, and IT staffing. This is one step in realizing the best value proposition for IT server support. FY 2010 funding will allow the Department to continue with the site and server consolidation to improve Disaster Recovery support by continuing the build out and provisioning of a new consolidated data center which was leased as a service contract in late FY 2008. The request will support the ongoing costs as servers are transitioned into the facility.

Post Telephones: $6,304,000
The Post Telephones initiative provides global telephonic services and support to the Department's missions abroad. This initiative serves over 60,000 customers worldwide by planning, implementing, and coordinating projects required for maintaining and upgrading mission telephone systems. The goal of the investment is to replace obsolete telephone systems with modern, reliable digital systems capable of delivering a full range of services. In an effort to homogenize equipment and optimize business processes, Post Telephones was tasked to provide a standardized ten-year life cycle replacement program. Post Telephones provides a wide variety of support to the Department including operations and maintenance of existing telephone systems at missions abroad and mobile communications support for the Secretary of State, visiting dignitaries, and VIPs.

Mobile Computing: $3,080,000
Mobile computing is essential for U.S. diplomats to work outside the office with host country staff and institutions and respond rapidly to crises, disasters, and other events. In FY 2010 the Department will continue its mobile computing program capitalizing on security and technology advances.

Other Goal 2 Initiatives: $8,790,000
Other initiatives that focus directly on achieving the goals of anytime, anywhere access include the Department's management of the network encryption device crypto-keys and the costs for support of the mainframe that serves the Department's American payroll system.

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Goal 3: External Partnerships: Diplomacy Through Collaboration

The Department is committed to E-Gov with resulting improvements in citizen services, mission effectiveness, and efficiency. The focus is on three areas: participating in government-wide initiatives; streamlining administrative operations to ensure diplomatic readiness; and enhancing interagency and external collaboration, especially overseas and across the foreign affairs community. An important ongoing priority is to provide a suite of effective and efficient application systems that enable streamlined, consolidated, and cost-effective business services. These efforts will facilitate the ongoing migration to web-enabled applications, create more useful reporting tools, and improve the Department's ability to share data, both internally and with external partners. It will also position the Department for greater participation in government-wide administrative solutions as they emerge and become available.

Integrated Logistics Management System (ILMS): $19,519,000
ILMS is a major reengineering and development effort to create a modern, user-oriented system for all logistics functions including purchasing, supply, transportation, warehouse, inventory/asset management, and diplomatic pouch and mail. ILMS benefits the Department by eliminating duplicative systems, streamlining operations, providing supply chain visibility to customers, and achieving enterprise-wide integration. The FY 2010 request will fund operations and maintenance for over 6,000 users worldwide, continued deployment to overseas posts, and integration and regression testing as the Department consolidates its financial systems. Key initiatives for FY 2010 include deployment of ILMS to overseas posts, establishment of a COOP capability, and continued integration with Post Administrative Support System (PASS), ILMS/Joint Financial Management System (JFMS) integration and implementation of IT Asset Management.

Enterprise Data Warehouse: $2,500,000
The Enterprise Data Warehouse (EDW) will combine information from different transactional systems into a central point from which information can be quickly extracted and analyzed to facilitate business decisions. The Department produces a great deal of historical data in support of varying missions. This data will be used for trend analysis and/or future forecasting efforts, thereby allowing future decisions to be based on real, factual information. Today, the use of this data is impeded by accessibility, data quality, and timeliness. The initial pilot deployment of the EDW is scheduled for FY 2009. The requested FY 2010 funding will be used to improve management reporting, help improve data quality, and to expand the EDW by incorporating more central, administrative systems data into the warehouse.

Joint Financial Management Systems (JFMS): $2,009,000
The request supports the Department and USAID's common financial management platform that provides overseas and domestic worldwide financial management and reporting.

Integrated Personnel Management System (IPMS): $5,299,000
The IPMS is a multi-year program that provides the Department with human capital management in support of its diplomatic mission. During FY 2010, the Department will expand its operations and maintenance of IPMS and focus on key upgrades to meet availability, scalability, and security requirements. These include: complete the remaining OMB Gold Standard functionality in the Post Personnel System to include Foreign Service National Payroll integration; complete the HR Portal upgrade to expand employee and manager self-service; complete implementation of IPMS services-based architecture to standardize external and internal data distribution; modernize the underlying HR Online system framework and upgrade primary applications; evaluate and select the next generation Knowledge Center technical platform to include enhanced reporting, business intelligence, and decision support capabilities; and modernize the Post Personnel System platform to include the re-architecture of its major components.

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Consolidated American Payroll System (CAPPS) and ePayroll Migration: $12,500,000
The request will provide funding to replace the Department's legacy American employee payroll system. The current payroll system was written in what is now a very old software language. Skilled programmers who can make necessary adjustments for benefits, taxes, garnishments, etc. are becoming more and more difficult to find, which could jeopardize the ability of the Department to properly pay government employees.

Worldwide Agency-wide Locally Engaged Staff Payroll (WALES): $11,550,000
The request will fund commercial off-the-shelf (COTS) software acquisition and related implementation services for WALES. WALES will eventually replace four versions of the more than 20 year old Foreign Service National (FSN) Pay system and FARADS (the legacy system used to generate annuity payments to retired Foreign Service officers covered by the Foreign Service Act) with a single system using modern technology. The migration to WALES addresses the major operational risk faced not only by the Department, but also more than 40 other agencies that rely on the Department for e-payroll services for FSN employees at posts and missions outside the United States.

Travel Manager Program: $2,640,000
The Department will continue to migrate to the new government-wide eTravel service provider (eTS), while continuing to provide a modern, standard, and streamlined travel program during the transition. The Department has selected one of GSA's approved eTravel service providers as its eTS vendor.

Central Resource Management System (CRMS): $1,742,000
CRMS has been in use since FY 2001 for the budget formulation of the Department's operating accounts and the execution of the Department's budget to the allotment level, e.g., apportionments, reimbursements, foreign currency exchange. CRMS interfaces with the Department's accounting system, permitting the simultaneous creation of accounting system budgets and allotment documentation delivered electronically to the allottee. This legacy system does not meet the standards required by today's financial management business requirements. The Department has taken full advantage of the Budget Formulation and Execution Line of Business (BFELoB) to pilot Treasury's budget formulation system. The FY 2010 request will enable State to modernize the execution portion of CRMS in concert with the BFELoB.

Post Administrative Software Suite (PASS): $3,105,000
The Department has standardized its overseas posts' management services systems onto a common, but decentralized, platform called Post Administrative Services Suite (PASS). The Department intends to integrate these overseas systems with their comparable Headquarters counterparts. To do so it will be necessary to rewrite the current decentralized PASS platform to the centralized data base system in Washington in order to create a true enterprise system. PASS 3 will be a centrally hosted application which makes integration with the Department's system more practical. PASS 3 will be a complete rewrite to include improvements such as a single database, leniency tolerant, web services enabled, "plug and play" platform. This approach is critical to the cost effective integration of all the field and headquarters management systems.

Other Goal 3 Initiatives: $17,874,000
Other initiatives in this area will aid in business process streamlining, interagency communication, and E-Gov/Line of Business (LOB) initiatives. They include the Joint Department/USAID Enterprise Architecture and State's Assistance Management System (SAMS).

E-Gov Initiatives serve citizens, businesses, and federal employees by delivering high quality services more efficiently at a lower price. Instead of expensive stove-piped operations, agencies work together to develop common solutions which achieve mission requirements at reduced cost, thereby making resources available for higher priority needs. The Department participates in eleven programs and six Lines of

Business (LOB) Initiatives. The Department is providing funding from the IT Central Fund and other sources in FY 2009 and FY 2010 to the initiatives shown below (dollars in thousands):

($ in thousands)

INITIATIVE	***FY 2009***	***FY 2010***
Business Gateway	$0	$62
E-Authentication	$440	$0
Grants.gov	$129	$213
E-Rulemaking	$44	$0
E-Travel	$48	$0
Gov-Benefits	$139	$143
Integrated Acquisition Environment	$516	$801
Recruitment One Stop	$54	$0
IAE – Loans and Grants	$22	$0
Disaster Assistance Improvement Plan–Capacity Surge	$0	$159
Disaster Assistance Improvement Plan	$204	$30
Financial Management LoB	$75	$75
Grants Management LoB	$28	$32
Human Resources LoB	$65	$66
Geospatial LoB	$35	$35
Budget Formulation & Execution LoB	$95	$95
IT Infrastructure LoB	$0	$160
TOTALS	**$1,894**	**$1,871**

Goal 4: Risk Management: Mission Effectiveness and Security

The Department will continue to streamline its approach to IT security, ensuring effective control while allowing rapid adoption and broad use of new technology. Such an IT security program is essential for accomplishing the other goals in preparation for the new IT Strategic Plan. The intent is to enable broad access to information and systems; secure internal and external collaboration; rapid and secure introduction of new technologies; and comprehensive business continuity plans that can be relied upon to work in the event of terrorist attacks, natural disaster and/or catastrophic failure. The Department will apply industry and government best practices and innovations in IT security. Security risk management will be based on a partnership model, through which system sponsors, IT professionals, and security experts will collaborate to make risk management decisions and ensure that IT assets are protected commensurate with risk. System and data owners/sponsors will assume ultimate responsibility for making risk management decisions. Innovative security approaches, such as biometrics, will be in place to monitor and control user access to IT systems and information, thus enabling anytime, anywhere access, including mobile access to classified systems, and securing extranets for internal and external collaboration.

PKI and Biometrics: $7,200,000
PKI supports user authentication and biometrics to control access to the Department's information resources on ClassNet and OpenNet Plus, meeting the requirements of HSPD-12. PKI protects and validates the electronic information stored on E-Passports; improves IT security against external and internal threats; and supports digital signature requirements enumerated in the Electronic Signatures in National and Global Commerce Act (E-SIGN). PKI will also help satisfy provisions set forth by the Government Paperwork Elimination Act (GPEA) by reducing the amount of paper produced for physical signature. Other uses include: exchange of contractor information between overseas secure embassy construction sites and the Department; investigative reports by Diplomatic Security; and protection of sensitive and personal medical records to serve those stationed overseas.

Goal 5: Work Practices and Workforce: Leading Change

Goal 5 focuses on ensuring that end-user staff have the skills necessary to use the new IT tools, systems, and information made available under the other four goals by continuously enhancing the skill base of the Department's IT staff and creating and sustaining an efficient and effective IT support organization. The latter will focus on ensuring that the Department promotes continuous innovation in the use of IT to support the diplomatic mission. Goal 5 also focuses on evolving the skills and responsibilities of IT staff to enable them to play a higher-level consultative role in helping end-users exploit modern technology. This request will be used for innovative training management, distance learning, and technology. The Foreign Service Institute (FSI), which manages the National Foreign Affairs Training Center, is responsible for a large share of Goal 5 activities and resources, notably those associated with training and skill development. FY 2010 resources will be directed as follows for FSI programs.

FSI Instructional Support: $3,694,000
FSI provides Department-focused IT training for professional IT staff and for end users, and provides through COTS and FSI-developed courses a full range of 24x7 distance learning content options to employees of the Department (and to other federal agencies on a reimbursable basis) including training on major Department programs and systems, e.g., WebPASS and SMART. FSI also provides instructors with tools that speed the development of effective distance learning courses.

FSI Learning Infrastructure: $3,015,000
A four-year life-cycle refreshment program for the IT infrastructure at the Foreign Service Institute supports classroom and distance learning 24x7. The FSI infrastructure includes classroom technology for instructors and students; the platform for FSI Corporate Systems and for the design, development, and delivery of distance learning worldwide; multimedia/language technical labs and simulation components; and digital videoconferencing for classes, language testing, and course development.

Performance

The following indicator is among the performance measures used by the Bureau of Information Resource Management to monitor and manage the Department's IT projects. This performance indicator tracks a priority IT project, for which funding is requested in FY 2010.

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STRATEGIC GOAL: STRENGTHENING CONSULAR AND MANAGEMENT CAPABILITIES	
Strategic Priority: Information Technology	
Indicator: Progress Towards Implementing State Messaging and Archive Retrieval Toolset (SMART) Messaging System	
Target FY 2010	The program will address system enhancements immediately following the conclusion of worldwide deployment. These enhancements will be driven by user requested changes, technical architecture refinement, and evolving information sharing requirements.
Target FY 2009	Pilot full CLASS and UNCLASS SMART System at 10 total posts, and domestic bureaus and offices. Initiate and complete worldwide deployment of SMART solution to all posts. Continue to provide effective operations and maintenance for all domestic sites and overseas posts, and begin decommission of legacy systems following a phased retirement plan. Transition SMART to IRM divisions for O&M support.
Target FY 2008	Complete SMART development of core Messaging functionality for CLASS and begin testing of UNCLASS system; re-deploy upgraded releases of Pilot 1 functionality to two pilot posts; plan for initiation of Pilot 2 deployment of SMART solution to additional 3 Pilot posts and 5 selected Domestic Bureaus. Deliver effective O&M for operational SMART components and initiate transition of the operational components to O&M support organization; complete training for systems support, plan for the second site, design contingency plans, and deploy the SharePoint & Groove collaboration tools internally and in the DMZ per the Department's FY 2007-2012 Strategic Plan.
Results FY 2008	**Rating: On Target** SMART successfully met its target criteria: -Successfully transitioned SharePoint and Groove collaboration products to IRM/OPS/SIO. -Completed development of core Messaging functionality for CLASS for Pilot 2 posts. -Installed the HW and SW environments for the development and testing of UNCLASS functionality; began UNCLASS development; and initiated testing. -Deployed upgraded SMART to two Pilot 1 posts (one Pilot 1 post dropped out of the pilot program). -Pilot 2 deployment commenced at two new pilot posts. -Completed planning for additional Pilot 2 post deployments to five additional posts and to 5 selected domestic Bureaus/offices (WHA; A/ISS; CIO/DCIO; IRM/CST, eDIP, MSMC). -Initiated second site planning, and an options paper produced for the DCIO. Alternate site planning, decisions, and procurement were placed on hold per IRM direction.
Impact	The Department's Consular Management and Communication capabilities continue to be strengthened by developing and deploying SMART. The SMART program will continue to support all Pilot 2 activities, and expand and complete the development of UNCLASS functionality in parallel. Matrixed development teams have been created within SMART Messaging Division to account for dual support activities.
Results FY 2007	Successfully deployed SMART quick-win functionality to Department users, and tested deployment processes. Deployed functionality includes Instant Messaging on both UNCLASS and CLASS networks. Groove and SharePoint piloted during FY 2007, and scheduled for transfer to operations and maintenance (O&M) partners and worldwide deployment in FY 2008. Successfully developed core messaging application; developed and piloted Archive and Records Management (ARM) functionality; began piloting messaging solution to three pilot posts.
Results FY 2006	Detailed Planning and re-baselining completed resulting in SMART Plan B. Design work conducted for all SMART components. Development laboratory established. Development work for SMART quick-win functionality.
Results FY 2005	System requirements decomposition effort results in validated list of derived requirements. 50 users participated in a series of system usability demonstrations and provided feedback, driving defect corrections.
VERIFICATION AND VALIDATION	
Data Source and Quality	Bureau of Information Resource Management reports, Steering Committee meetings, CIO briefings, and Gartner Group independent verification and validation reports.

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Funds by Program Activity

($ in thousands)

IT Central Fund	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request
Information Resource Management	348,423		280,000
Infrastructure Systems	245,318		148,633
Central Management Functions	106,296		48,502
Leased Lines	40,000		0
Other Telecommunications Abroad	11,000		3,960
Infrastructure Maintenance	73,852		82,667
Information Management Security Implementation	9,042		7,200
Voice Communications Programs	5,128		6,304
Corporate Information Systems and Services	95,265		127,195
Core Foreign Affairs Systems	33,009		44,763
Financial Systems	30,160		35,600
Administrative Systems	32,096		46,832
Office Automation	7,840		4,172
Other Office Automation	7,840		4,172
Total	**348,423**		**280,000**

Funds by Object Class

($ in thousands)

IT Central Fund	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request
2100 Travel & Trans of Persons	15,805		16,212
2200 Transportation of Things	12,632		5,106
2400 Printing & Reproduction	1,782		2,357
2500 Other Services	175,644		151,988
2600 Supplies and Materials	20,211		1,901
3100 Personal Property	122,349		102,436
Total	**348,423**		**280,000**